

NORTHEAST DELTA RESOURCE
CONSERVATION AND DEVELOPMENT AREA, INC
WINNSBORO, LOUISIANA

FINANCIAL STATEMENTS
AND
ACCOUNTANT'S REPORT

DECEMBER 31, 2010

Under provisions of state law this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAR 14 2012

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
WINNSBORO, LOUISIANA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Northeast Delta Resource Conservation and Development Area, Inc
Winnsboro, Louisiana

We have audited the accompanying statement of financial position of Northeast Delta Resource Conservation and Development Area, Inc., (a nonprofit organization) as of December 31, 2010, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of Northeast Delta Resource Conservation and Development Area, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

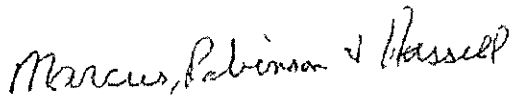
Due to deficiencies in the accounting system, we were unable to obtain sufficient evidence to satisfy ourselves about the amounts at which assets, liabilities, revenues, and expenses are recorded in the accompanying financial statements as of and for the year ended December 31, 2010.

Because of the significance of the matters discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the financial statements referred to in the first paragraph.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2012 on our consideration of Northeast Delta Resource Conservation and Development Area, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to

describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Northeast Delta Resource Conservation and Development Area, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Because of the matters discussed in the third paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the accompanying schedule of expenditures of federal awards.



MARCUS, ROBINSON and HASSELL, CPAs
Winnsboro, Louisiana
January 25, 2012

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2010

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	3,607
<u>TOTAL CURRENT ASSETS</u>	<u>3,607</u>

PROPERTY, PLANT & EQUIPMENT

Equipment	168,119
Nursery Equipment	32,929
Construction in Progress	293,252
	<u>494,300</u>
Less Accumulated Depreciation	(169,299)
<u>TOTAL PROPERTY, PLANT & EQUIPMENT</u>	<u>325,001</u>
<u>TOTAL ASSETS</u>	<u>328,608</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Payroll Taxes Withheld	41,428
Notes Payable - Franklin State Bank	28,408
<u>TOTAL LIABILITIES</u>	<u>69,836</u>

NET ASSETS

Unrestricted	
Operating	(66,229)
Fixed Assets	325,001
<u>TOTAL NET ASSETS</u>	<u>258,772</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>328,608</u>

See Notes to Financial Statements

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

REVENUES

Contribution Income	7,200
Grants	72,567
Membership Income	4,175
Tree Sales	171,940
Interest Income	81
Other Income	47,566
<u>TOTAL REVENUES</u>	<u>303,529</u>

EXPENSES

Program Service Expenditures	112,796
Auto and Truck	10,587
Bank Charges	802
Contract Labor	21,851
Dues and Subscriptions	450
Freight	1,114
Supplies	6,913
Insurance	18,106
Interest	2,709
Legal and Accounting	2,790
Miscellaneous	57,266
Office Expense	3,069
Repairs and Maintenance	4,771
Salaries	65,252
Postage	5
Rents	1,725
Telephone	4,786
Travel	2,502
Utilities	6,027
Depreciation	14,714
Director Fees & Meetings	3,607
<u>TOTAL EXPENSES</u>	<u>341,842</u>

See Notes to Financial Statements

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
STATEMENT OF ACTIVITIES
DECEMBER 31, 2010

<u>CHANGES IN NET ASSETS</u>	(38,313)
<u>NET ASSETS, BEGINNING OF YEAR</u>	<u>297,085</u>
<u>NET ASSETS, END OF YEAR</u>	<u>258,772</u>

See Notes to Financial Statements

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	(38,313)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by (Used by) Operating Activities	
Depreciation	14,714
Increase (Decrease) in Payroll Taxes Withheld	<u>9,886</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES (13,713)

CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES

Payments on Debt	<u>(16,827)</u>
------------------	-----------------

NET CASH PROVIDED (USED) BY CAPITAL & RELATED
FINANCING ACTIVITIES (16,827)

NET INCREASE (DECREASE) IN CASH (30,540)

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 34,147

CASH AND CASH EQUIVALENTS, END OF YEAR 3,607

See Notes to Financial Statements

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Northeast Delta Resource Conservation and Development Area, Inc. was incorporated December 9, 1991, as a nonprofit corporation for the purpose of educating the people living in the area to accelerate the development, conservation, and wise use of human, financial and natural resources in order to improve the standard of living and the quality of life in the Northeast Delta Area. Northeast Delta Resource Conservation and Development Area, Inc. is supported primarily through donor contributions, grants and program revenues.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Non-for-Profit Organizations*. Under SFAS No. 117, the corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Property, Plant & Equipment

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives as follows:

Equipment	3-20 Years
Nursery equipment	5-20 Years

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES,
Cont'd.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The financial statements are reported on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Income Taxes

Northeast Delta Resource Conservation and Development Area, Inc. is recognized as a nonprofit organization under Sec. 501(c)(3) by the Internal Revenue Service. As such, it is exempt from federal income tax.

Pension Commitments

Employees of Northeast Delta Resource Conservation and Development Area, Inc. are covered under Social Security. No other pension plans are maintained.

Cash and Cash Equivalents

Cash and Cash Equivalents include amounts in demand deposits, interest bearing demand deposits, and time deposits. Under state law, Northeast Delta Resource Conservation and Development Area, Inc. must deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted net assets depending on the absence or existence and nature of any donor restrictions.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Estimates include those used for determining the useful lives of depreciable assets. Accordingly, actual results could differ from those estimates.

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 2 - CASH FLOW INFORMATION

Supplemental disclosures of cash flow information:

Cash paid during the year for:	<u>2010</u>
Interest	2,709
Income Taxes	-0-

Supplemental Schedule of Noncash Investing and Financing Activities.

There were no noncash investing and financing activities for the year.

Disclosure of Accounting Policy:

For the purposes of the statement of cash flows, the company considers cash in checking accounts, savings accounts, and certificates of deposit to be cash and cash equivalents.

NOTE 3 - CASH

Cash is classified into three categories to give an indication of the level of risk assumed at year-end. Category 1 includes investments insured or registered or securities which are held by the corporation or its agent in the corporation's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the bank or agent in the corporation's name. Category 3 includes uninsured and unregistered investments with the securities held by the bank or agent but not in the corporation's name. The carrying amount of the corporation's deposits with the financial institutions was \$3,607 and the bank balance was \$3,607. The carrying balance is categorized as follows:

	<u>Category</u>		
	<u>1</u>	<u>2</u>	<u>3</u>
Cash	3,607	-0-	-0-

Northeast Delta Resource Conservation and Development Area, Inc. is adequately collateralized at Franklin State Bank.

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 4 - PROPERTY, PLANT & EQUIPMENT

Equipment	168,119
Nursery Equipment	32,929
Construction in Progress	<u>293,252</u>
	494,300
Less Accumulated Depreciation	<u>(169,299)</u>
 NET PROPERTY, PLANT & EQUIPMENT	 <u>325,001</u>

Depreciation expense totaled \$14,714 for 2010.

Construction in progress at December 31, 2010, consists of costs associated with the construction of the Franklin Parish Activity Center (See Note 12)

NOTE 5 - LEASES

The Northeast Delta Resource Conservation and Development Area, Inc records assets acquired through capital leases as an asset and records the lease as an obligation. The company has no capital leases outstanding as of December 31, 2010

NOTE 6 - LITIGATION AND CLAIMS

At December 31, 2010, Northeast Delta Resource Conservation and Development Area, Inc is not involved in any litigation nor aware of any unasserted claims.

NOTE 7 - NET ASSET RESTATEMENT

Net assets have been restated as follows.

Net assets previously reported December 31, 2009	260,372
Net adjustment to add back voided checks	<u>36,713</u>
Net assets as restated January 1, 2010	<u>297,085</u>

The restatement is for checks that never cleared and voided during the year. The amount of the restatement is an increase of \$36,713.

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 8 - RELATED PARTY TRANSACTIONS

The Executive Director Donna Remides is the owner of the Shroon Shop. During the year ended December 31, 2010, there were transactions between the Shroon Shop and Northeast Delta Resource Conservation and Development Area, Inc. The amount of the transactions was \$27,995. These transactions are currently under investigation by the United States District Court for the Western District of Louisiana

All of these costs are categorized in miscellaneous expense on the financial statements.

NOTE 9 - LONG-TERM DEBT

Long-term debt at December 31, 2010 is comprised of the following individual issues:

Note Payable - Franklin State Bank	28,408
Original Note: \$50,100	
Date: 9/30/2010	
Interest Rate: 7.25%	
Collateral: Accounts Receivable	
Payment: No monthly payment. Due date is June 30, 2011.	
	<u>28,408</u>
Less: Current Maturities	<u>(28,408)</u>
	<u>-0-</u>

Interest expense for the year ended December 31, 2010 was \$2,709.

NOTE 10 - PAYROLL TAXES WITHHELD

Northeast Delta Resource Conservation and Development Area, Inc has a large payroll tax liability of \$41,428. This is made up of Form 941 taxes of \$37,155 and State Income Tax Withholding of \$4,273. The Form 941 Taxes are delinquent for fourth quarter 2008 and all of 2009 and 2010. The State Income Tax Withholdings are delinquent for all four quarters of 2008 and third and fourth quarter 2009 and all of 2010.

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 11 - UNRESTRICTED OPERATING DEFICIT

Northeast Delta Resource Conservation and Development Area, Inc. has an unrestricted operating deficit of \$66,229. The Company is funded on a reimbursement request basis. Thus, they must spend the money before it can be requested. They had several projects that they had not requested reimbursement on until after the year end. This is the reason for the unrestricted operating deficit.

NOTE 12 - SUBSEQUENT EVENTS

On December 31, 2009, Northeast Delta Resource Conservation and Development Area, Inc. adopted FASB ASC Topic 855, Subsequent Events. ASC 855 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. Specifically, it sets forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. The adoption of ASC 855 had no impact on the Company's financial statements.

In accordance with ASC 855, Northeast Delta Resource Conservation and Development Area, Inc. evaluated subsequent events through January 25, 2012, the date these financial statements were available to be issued.

In the first quarter of 2011, the Organization had a substantial disposition of assets, in which several assets were sold at auction. In late 2011, the Organization transferred the construction in progress related to the Franklin Parish Activity Center to the Franklin Parish Police Jury.

Northeast Delta Resource Conservation and Development Area, Inc. has not fully completed their requirements with the provisions of R S 24:513 regarding the timing of report filing with the Legislative Auditor for the year ended December 31, 2010. Current requirements are that the reports be filed with the Legislative Auditor within six months of the Organization's year end.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors

Northeast Delta Resource Conservation and Development Area, Inc
Winnsboro, Louisiana

We have audited the financial statements of Northeast Delta Resource Conservation and Development Area, Inc. (a non-profit organization) as of and for the year ended December 31, 2010, and have issued our report thereon dated January 25, 2012. We did not express an opinion on those financial statements because we were unable to obtain sufficient evidence to satisfy ourselves about the amounts at which assets, liabilities, net assets, revenues, and expenses are recorded in the accompanying financial statements. The Organization has deficiencies caused by the lack of an adequate accounting system. Therefore, we were unable to satisfy ourselves that the Organization's financial statements, as of and for the year ended December 31, 2010 are free of material misstatement by use of other auditing procedures. Except as discussed in the preceding sentence, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Northeast Delta Resource Conservation and Development Area, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Northeast Delta Resource Conservation and Development Area, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material.

weaknesses and other deficiencies that we consider to be significant deficiencies

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described as items 2010-01, 2010-02, and 2010-03 in the accompanying schedule of findings and questioned costs to be material weaknesses.

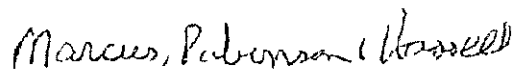
A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described as item 2010-04 in the accompanying schedule of findings and questioned costs to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northeast Delta Resource Conservation and Development Area, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2010-04.

Northeast Delta Resource Conservation and Development Area, Inc.'s response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Northeast Delta Resource Conservation and Development Area Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the office of the Louisiana Legislative Auditor as a public document.



MARCUS, ROBINSON & HASSELL, CPAs
January 25, 2012

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2010

<u>PROGRAM TITLE</u>	<u>CFDA #</u>	<u>EXPENDITURES</u>
Nonpoint Source Implementation Grants	66.460	<u>72,567</u>

See Notes to Financial Statements

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2010

NOTE 1 - GENERAL

The accompanying Schedule of Federal Awards presents the activity of all federal award programs of the Northeast Delta Resource Conservation and Development Area, Inc. The Northeast Delta Resource Conservation and Development Area, Inc.'s reporting entity is defined in Note 1 of the Notes to Financial Statements of the Northeast Delta Resource Conservation and Development Area, Inc.'s financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting which is described in Note 1 of the Notes to the Financial Statements of the Northeast Delta Resource Conservation and Development Area, Inc.'s financial statements.

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2010

PART I - SUMMARY OF THE AUDITOR'S RESULTS

Financial Statement Audit

- A. The type of audit report issued. Qualified (No Opinion Given)
- B. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness X yes ___ no Significant Deficiency X yes ___ none reported

Compliance

Compliance Material to Financial Statements ___ yes X none reported

- C. Federal Awards

Internal Control

Material Weaknesses ___ yes X no Significant Deficiency ___ yes X none reported

Are their findings required to be reported in accordance with Circular A-133, Section 5109(a)?

No

Identification of Major Programs

None identified

Dollar Threshold used to distinguish between Type A and Type B programs \$300,000

Is the auditee a "low-risk" auditee as defined by OMB Circular A-133 ___ yes X no

PART II - FINDING(S) RELATED TO THE FINANCIAL STATEMENTS WHICH ARE
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED
GOVERNMENT AUDITING STANDARDS

Finding Reference No and Title: 2010-01

Lack of Proper Documentation to Support
Paid Invoices

Condition:

Northeast Delta Resource Conservation and
Development Area, Inc. does not have
proper documentation to support paid
invoices

Questioned Costs:

Due to the fact that some of the invoices are
currently in the possession of the Assistant
United States Attorney, we were unable to
quantify these costs

Recommendation

We recommend that the Organization have
proper documentation for each paid invoice.

Response.

Management will request proper
documentation for each paid invoice

Finding Reference No and Title: 2010-02

Lack of Segregation of Duties Within its
Internal Control System

Condition:

Northeast Delta Resource Conservation and
Development Area, Inc. lacks segregation of
duties within its internal control system.

Questioned Costs:

None

Recommendation:

We recommend that the Organization's
independent Board of Directors review all
financial data monthly

Response:

The Organization will have the independent
Board Members carefully review monthly
financial data.

Finding Reference No. and Title: 2010-03

Lack of Correct and Timely Financial Information to those Charged with Governance including Year End Financial Statements

Condition

Northeast Delta Resource Conservation and Development Area, Inc was not receiving correct and timely financial information. The information was not being provided to the CPA doing the bookkeeping on a timely basis, therefore, the CPA could not provide the information to those charged with governance on a timely basis

Questioned Costs:

None

Recommendation

We recommend that the Organization start delivering to the CPA, on a monthly basis, all financial information needed to prepare the monthly and year end financial statements.

Response

We concur with the finding We will follow the auditor's recommendation.

Finding Reference No. and Title: 2010-04

Late Filing of Audit Report with Legislative Auditor

Condition:

Northeast Delta Resource Conservation and Development Area, Inc has not fully completed their requirements with the provisions of R.S. 24 513 regarding the timing of report filing with the Legislative Auditor. Current requirements are that the reports be filed with the Legislative Auditor within six months of the Corporation's year end

Questioned Costs:

None

Recommendation:

The Northeast Delta Resource Conservation and Development Area, Inc. should work more closely with their CPA to ensure the reporting of their financial information in a timely manner.

Response:

We concur with the finding We will follow
the auditor's recommendation

PART III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Not applicable

NORTHEAST DELTA RESOURCE CONSERVATION AND DEVELOPMENT, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2010

SECTION I - INTERNAL CONTROL AND COMPLIANCE

FINDINGS

RESPONSE

2009-01 - Lack of Proper Documentation
To Support Paid Invoices

Unresolved - See Finding
2010-01

2009-02 - Lack of Segregation of Duties
Within its Internal Control System

Unresolved - See Finding
2010-02

2009-03 - Lack of Correct and Timely
Financial Information to those Charged with
Governance Including Year-End
Financial Statements

Unresolved - See Finding
2010-03

2009-04 - Late Filing of Audit Report
With Legislative Auditor

Unresolved - See Finding
2010-04

SECTION II - MANAGEMENT LETTER

None issued